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July 28, 2005

To Secretary of Agriculture Mike Johanns

I am writing to express my opinions on what the new farm bill should be. My son and I are full time grain farmers operating about 3000 acres of soybeans, corn, wheat, and barley in northeastern South Dakota. I am 64 years old nearing retirement so my concern is for my son to be able to continue farming.

The most important result of a farm bill should be an even playing field for the farmers. In recent years the government programs have enabled a few to expand their farms at the expense of the other farmers and making it very difficult for most beginning farmers. This unfair competition is because of the "proven" yield which in theory should be a reward for good farmers. I won't go into the reasons for some to have 50% more proven yields than others, but the result is \$5 to \$7 per acre more direct payments, cheaper crop insurance and much higher guarantee income through crop insurance. These yields can be applied to newly rented land which of course allows them to pay more cash rent. We have 300A of rented land which the landlord decided to put up for cash rent bids this fall. Even though we are in the upper 25% of the local proven yields there are very top ones who have been rapidly expanding their farms who will no doubt outbid my son and me. If all government subsidies were equal we would be able to continue renting this farm.

The direct payments obviously end up as cash rent increases or higher land prices so should be totally eliminated. The L.D.P. subsidies take some risk out of farming so only result in being able to operate on a thinner margin so could just as well be eliminated.. Conservation programs such as CRP are not good for young beginning farmers because they enable farmers like me to continue getting income from the farm even though we are not able to be actively farming. They also allow other countries to produce instead of us and use very little from area business. Most should be eliminated.

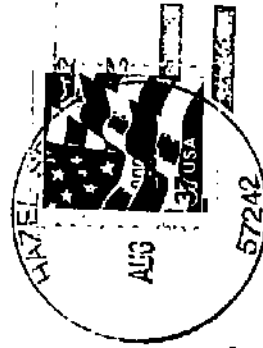
As far as I am concerned the only thing that is needed is government crop insurance and this would be a good place for subsidy if it could be provided on an even playing field.

One more comment- there should be a limit on subsidies to a farm. I feel \$50,000-\$100,000 should be enough and the farm should be counted as one farm if it uses the same equipment and management no matter how many entities it is divided into.

Sincerely

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